

## Fiscal Estimate – 2003 Session

<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Updated	LRB Number	Amendment Number if Applicable
<input type="checkbox"/> Corrected	<input type="checkbox"/> Supplemental	Bill Number	Administrative Rule Number HFS 117

Subject  
Fees for Copies of Health Care Provider Records

### Fiscal Effect

State: ☐ No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or effects a sum sufficient appropriation.

☒ Increase Existing Appropriation

☐ Increase Existing Revenues

☐ Decrease Existing Appropriation

☐ Decrease Existing Revenues

☐ Create New Appropriation

☒ Increase Costs – May be possible to absorb within agency's budget.

☐ Yes ☐ No

☐ Decrease Costs

Local: ☐ No Local Government Costs

1. ☐ Increase Costs

☐ Permissive ☒ Mandatory

2. ☐ Decrease Costs

☐ Permissive ☐ Mandatory

3. ☐ Increase Costs

☐ Permissive ☐ Mandatory

4. ☐ Decrease Costs

☐ Permissive ☐ Mandatory

5. Types of Local Government Units Affected:

☐ Towns ☐ Villages ☐ Cities

☒ Counties ☒ Others: Tribes

☐ School Districts ☐ WCTS Districts

Fund Sources Affected

☒ GPR ☒ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S

Affected Chapter 20 Appropriations

20.435(4)(a)&(n), 20.445(5)(a)&(n)

### Assumptions Used in Arriving at Fiscal Estimate

Section 146.83 (3m), Stats., as created by 2001 Wisconsin Act 109 and s. 908.03 (6m) (d), Stats., as amended by 2001 Wisconsin Act 109, requires the Department prescribe by rule fees for reproducing patient medical records that are the maximum amount a health care provider may charge. The fee limits are to be based on an approximation of actual costs. The statutes allow health care providers to also charge for postage or other delivery costs.

Fee limits proposed in the rules are the Department's approximation of the total cost (retrieval, processing and copying) of reproducing medical records for persons other than the subject of the records when the records are requested by a person other the subject of the record. That limit is either \$12.50 or \$15.00 per request plus \$0.31 per page. A second fee limit in the rules are the Department's approximation of the cost of copying records only (not including retrieval and processing costs) applicable to requests made by persons who are the subject of the requested records. That limit is \$0.31 per page. The rules also specify a limit on what a health care provider may charge for certifying a record.

The fee limits apply to all persons and entities who request duplicate health care records under 146.83 and 908.03 (6m) (c) 3., Stats., and to all health care providers who supply those records, unless superceded by fees established by other applicable law. Such covered persons and entities include W-2 agencies, county district attorneys and corporation counsels and also state agencies not governed by other fee limits or fee scales.

The Disability Determination Bureau within DHFS routinely request large volumes of medical records to adjudicate disability claims for the Social Security disability, Supplemental Security Income (SSI) and Medicaid disability programs. Under those programs, the Bureau expects 180,000 record request to be made in 2004. The average request generates 26 pages. The Department's Disability Determination Bureau (DDB) currently receives from the Social Security Administration (SSA) a maximum reimbursement of \$20 per record request for SSI applications, regardless of the number of pages requested or supplied. Payments for SSI related record requests are estimated to total \$3.1 million in 2004. If all health care providers were to maximize their fee income by charging the amount in the proposed rule the Bureau would require an additional \$465,000 in annual federal funding from SSA. Currently, the federal funding for DDB is through a federal block grant. It is uncertain whether the federal allocation would be increased for an increase in expenditures. If the block grant is not increased, DDB would have to fund increased costs using existing federal or state resources.

DDB expects record request costs for Medicaid (MA) disability programs to total \$190,000 in 2004. Increased costs for records requested under MA disability programs would be incurred by the MA program. The proposed change could increase MA costs by \$218,500 AF (\$109,300 GPR) annually.

The other state programs that might be expected to request medical records are Food Stamp Certification, Worker's Compensation, W-2 Transitions, and Vocational Rehabilitation. The Worker's Compensation program will not be affected under this rule change. It operates under its own fee limits established in s. 102.13 (2) (b), Stats. and is therefore exempt from this rule. The Vocational Rehabilitation program, administered by the Department of Workforce Development, uses medical records in vocational assessments. The proposed increase in allowable medical record fees could increase DWD Division of Vocational Rehabilitation costs by \$230,000 AF (\$49,000 GPR) annually.

The W-2 Transitions and Food Stamp Certification programs are state programs administered by local agencies, including county and tribal run agencies. Local agencies request medical records to identify utilization of medical services by W-2 applicants and establish exemptions from food stamp work requirements. Costs for record requests are reimbursed with other administrative costs within set contract amounts provided to local agencies. Local agencies' W-2 costs are reimbursed through the W-2 contract, which is administered by DWD. County agency food stamp administrative costs are reimbursed through the Income Maintenance contract, administered by DHFS. The proposed increase in allowable medical record fees could increase costs for local agencies if contract amounts were not increased. Since medical record request costs are not reported under the W-2 and IM contracts as a separate cost items, increased costs to counties and tribes under this proposed change cannot be estimated.

Other possible increased costs to local units of government due the proposed change are unknown.

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Long Range Fiscal Implications

Prepared By: Larry Hartzke and Anne Miller	Telephone Number 267-2943	Agency Office of Legal Counsel
Authorized Signature	Telephone Number	Date (mm/dd/ccyy)
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